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Report of the Economic and Social Council

Delegation of formal authority in matters of personnel of the United Nations Population Fund

Note by the Secretariat

1. The attention of the Fifth Committee is drawn to Economic and Social Council decision 2003/224, which reads as follows:

> "At its 30th plenary meeting, on 11 July 2003, the Economic and Social Council took note of the decision of the Executive Board of the United Nations Development Programme and of the United Nations Population Fund on its annual session of 2003 (DP/2003/26), and recommended to the General Assembly that, as proposed in document DP/FPA/2003/5, formal authority in matters of personnel of the United Nations Population Fund be delegated by the Secretary-General to the Executive Director of the Fund."

2. The background documentation submitted to the Economic and Social Council is contained in annexes I to III.

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Annex I*

UNITED NATIONS POPULATION FUND

DELEGATION OF FORMAL AUTHORITY TO THE EXECUTIVE DIRECTOR ON UNFPA PERSONNEL MATTERS

1. This report is submitted to the Executive Board in order to begin the process of delegating formal authority to the Executive Director in matters concerning UNFPA personnel. This process requires that the Executive Board recommend to the General Assembly, through the Economic and Social Council, that formal authority be delegated to the Executive Director by the Secretary-General. This delegation of authority based on a decision of a deliberative body competent in respect of an organization such as UNFPA has numerous precedents, including the delegation of such authority to the UNDP Administrator, to the United Nations High Commissioner for Refugees and to the Commissioner-General of the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), among others.

2. Formal authority in matters concerning UNFPA personnel currently resides with the Administrator of UNDP, as it has since 1969 when the Secretary-General placed UNFPA under the authority of the Administrator. In 1972, the General Assembly placed UNFPA under its authority (resolution 3019 (XXVII)). This gave UNFPA authority over its operations and enabled UNFPA to establish, with the approval of the UNDP Governing Council, its own financial rules and regulations; a priority system for resource allocations; planning and programming procedures; and methods of programme implementation. It also established that UNFPA would report directly to the UNDP Governing Council, the Economic and Social Council and the General Assembly. Administratively, however, UNDP continued to represent UNFPA in the field, administer UNFPA staff and provide financial services to UNFPA.

3. General Assembly resolution 34/104 of 1979 reaffirmed resolution 3019 (XXVII) and stated that UNFPA is a subsidiary organ of the Assembly. It also noted that UNFPA should continue to avail itself of the services of UNDP, including those of its representatives in the field. The General Assembly addressed the issue of UNFPA representation in the field in decision 50/438 of 20 December 1995, formally designating UNFPA country directors as UNFPA representatives.

4. Prior to 1983, the Administrator appointed the Executive Director of UNFPA. However, in 1983, the Secretary-General, for the first time, directly appointed the Executive Director of UNFPA and has made all subsequent appointments and reappointments of the Executive Director.

5. The request of UNFPA for formal authority in matters concerning UNFPA personnel has been endorsed by UNDP. UNFPA also consulted with the Executive Office of the Secretary-General on this matter, and it recommended, as advised by the United Nations Office of Legal Affairs, that UNFPA should follow the process outlined in paragraph 1.

6. The delegation of such authority to the Executive Director would improve the management, efficiency and accountability of UNFPA personnel services and remedy the anomaly noted by internal auditors that while the Executive Director has substantive authority over UNFPA personnel, she does not have the formal authority to appoint, administer or discipline UNFPA staff.

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* Previously issued as document DP/FPA/2003/5.

7. The delegation of personnel authority to the Executive Director would not have any direct financial implications or added costs. UNFPA would continue to make use of, and pay for, certain personnel services provided by UNDP. The cost of the personnel services assumed by UNFPA would be offset by a corresponding reduction in the amount paid to UNDP.

Key background information

8. UNFPA pursued a similar process in 1991 based on the observation by the United Nations Board of Auditors that the "involvement of the UNDP Administration in the personnel matters of UNFPA causes constraints and cumbersome procedures". The Board of Auditors, therefore, recommended "the streamlining of the hiring process and the transfer of the contract procedure to UNFPA" in order to bring about "a more economic and efficient use of resources" (see DP/1991/36, Annex 2). UNDP concurred with this assessment and agreed that the Executive Director should have formal authority in matters concerning UNFPA personnel. The Advisory Committee on Administrative and Budgetary Questions also endorsed the delegation of formal personnel authority to the Executive Director (document DP/1991/40), noting that "such authority would reflect the de jure and de facto status which the Fund already has in other areas within the United Nations system" (para. 34).

9. The UNDP Governing Council concurred with this assessment and recommended to the General Assembly, through the Economic and Social Council, that formal authority in matters of UNFPA personnel should be delegated to the Executive Director by the Secretary-General (decision 91/36, para. 18). The Economic and Social Council took note of this request, as contained in document E/1991/91/Add.1, and reported on it in its official report to the General Assembly. The General Assembly took no action on the item, as it was felt that the reform process initiated at that time by the Secretary-General should be given time to unfold before entertaining requests on such matters.

10. UNFPA re-initiated its request in 1998 following a recommendation by the internal auditors that UNDP and UNFPA should "clearly define the lines of authority and the responsibilities of each organization with respect to both headquarters and field personnel". Following extensive discussions on this issue, in late 2000 the executive heads of the two organizations informed the Secretary-General that they agreed that formal authority in matters of UNFPA personnel should be transferred to the Executive Director of UNFPA. The request contained in this report to the Executive Board is the outcome of that process.

Recommendation

11. The Executive Board may wish to recommend to the General Assembly, through the Economic and Social Council, that, as proposed in this document, formal authority in matters of UNFPA personnel be delegated to the Executive Director by the Secretary-General.

Annex II*

UNITED NATIONS POPULATION FUND

DELEGATION OF FORMAL AUTHORITY TO THE EXECUTIVE DIRECTOR ON UNFPA PERSONNEL MATTERS

Report of the Advisory Committee on Administrative and Budgetary Questions

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Executive Director on the delegation of formal authority to the Executive Director in matters concerning UNFPA personnel (DP/FPA/2003/5). During its consideration of the report, the Advisory Committee met with the Deputy Executive Director and her colleagues, who provided additional information.

2. As indicated in paragraph 2 of the report, formal authority concerning UNFPA personnel currently resides with the Administrator of UNDP, as it has since 1969 when the Secretary-General placed UNFPA under the authority of the Administrator. In 1972, the General Assembly placed UNFPA under its authority (resolution 3019 (XXVII)); however, administratively, UNDP continued to represent UNFPA in the field, administer UNFPA staff and provide financial services to UNFPA.

3. The Committee notes from paragraphs 5 and 6 of the report that the request of UNFPA for formal authority in matters concerning UNFPA personnel has been endorsed by UNDP and that the delegation of such authority to the Executive Director would improve the management, efficiency and accountability of UNFPA personnel services, and remedy the anomaly noted by internal auditors that while the Executive Director has substantive authority over UNFPA personnel, she does not have the formal authority to appoint, administer or discipline UNFPA staff.

4. As indicated in paragraph 7 of the report, the delegation of personnel authority to the Executive Director of UNFPA "would not have any direct financial implications or added costs". The Advisory Committee was provided, upon request, with the additional information on the financial and administrative implications of the delegation of such authority, which is annexed herein. The Advisory Committee notes that the figures provided are provisional and urges a speedy conclusion of the ongoing discussions between UNDP and UNFPA.

5. The Advisory Committee recommends approval of the recommendation contained in paragraph 11 of the report concerning the delegation of formal authority to the Executive Director in matters of UNFPA personnel.

* Previously issued as document DP/FPA/2003/10.

Annex

I. Biennial costs related to the delegation of personnel authority to UNFPA

Savings – $151,100

Subvention to UNDP for personnel legal services reduced from $218,600 to $100,000

Subvention to UNDP for the formulation of personnel policies reduced from $37,500 to $5,000*

Anticipated savings

Savings on the costs UNDP levies on UNFPA country offices for personnel-related services provided by UNDP (on a fee-per-service basis). This will mean that UNFPA country offices will no longer have to pay for personnel services that it is currently obliged to pay for, but which are, in reality, being performed by the UNFPA country offices themselves. These will include, for example, issuing their own letters of appointment and other contracts, holding their own appointment and promotion panels and maintaining their own human resources databases.

II. Anticipated savings related to the streamlining of processes

The speedier processing of disciplinary cases (currently eight cases are pending) through dedicated support for this function will reduce costs to UNFPA. This will reduce excessive time lags and the attendant costs in the legal pursuit of disciplinary cases, which, in two recent cases, have taken more than eight months in one instance, and four years in another.

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* The amount given is an estimate based on preliminary negotiations with UNDP.

Annex III*

2003/13
Delegation of UNFPA personnel authority

The Executive Board

Recommends to the General Assembly, through the Economic and Social Council, that, as proposed in document DP/FPA/2003/5, formal authority in matters of UNFPA personnel be delegated by the Secretary-General to the Executive Director.

17 June 2003

* Previously issued in document DP/2003/26.